

## The Facts Behind the Lottery For Supplier Choice

*You've heard about choosing electricity suppliers. Here's the scoop on the lotteries that will allow non-residential customers - who don't automatically qualify by their amount of electricity used - to choose suppliers as early as Oct. 1, 1999. This mailing gives you important information not only about the lottery eligibility but it also underscores that you must register by June 15, 1999, if you wish to participate.*

### First, Some Background

Beginning this fall, a new Illinois law will allow some nonresidential customers to choose their own suppliers of electricity.

These customers could negotiate a price for power by reviewing offers from a number of suppliers. The electricity will be delivered over AmerenUE power lines. Some customers automatically qualify for choice based on their electricity use; others will be chosen by lottery this summer. The rules for determining lottery participants are set by law.

We recommend you read the explanation that follows. You may or may not want to participate. Your electric service will not change if you are not chosen to participate by lottery. And those who can participate, can elect not to switch providers. It's your choice. However, the quality of delivery of power from an Illinois Commerce Commission approved supplier will be the same as the quality of delivery from Ameren's power.

Here are the details: Beginning Oct. 1, 1999, the Illinois law allows:

- Choice of alternative energy suppliers for customers with average **monthly** maximum electrical demand of at least 4,000 kilowatts for 6 of the 12 months ending June 30, 1999. By April 1999, those eligible customers, based on their demand levels for the six months ending Dec. 31, 1998, will hear from their existing utility companies. This will be a preliminary determination of eligibility. Final notice for any remaining customers who are eligible under this category will come as soon as possible after AmerenUE determines actual demand usage for the 12 billing months ending June 30, 1999.

NOTE: Those customers who automatically qualify for choice because of their 4,000 kilowatt monthly demand will receive a release form with verification information. In accordance with the Illinois Commerce Commission's and Ameren's own policies, protection of customer privacy forbids the release of customer information to third parties without the permission of the customer. Information will be released only if you complete that form, indicating you **DO** want usage and other account information released.

- Choice for commercial customers (**excluding Governmental, Mining and Manufacturing Customers**) owning **10 or more sites** in a single utility's service are those customers have aggregate average **monthly** demand requirements of greater for 9,500 kilowatts or greater for 6 of the 12 months ending June 30, 1999. To be considered for choice, we need to have your utility accounts and other information about all your locations. You can call us at the Ameren Customer Choice hotline (1-877-426-3736 Ext. 003) by April 21, 1999, to request an application or download one from our website <http://www.ameren.com>. Once we receive your application, verify common ownership and Standard Industrial Classification (SIC Code) information and determine that you meet the demand requirements, then we will notify you that you have met the established criteria and are eligible for choice.
- In addition to normal electrical demand, energy use that counts toward the 9,500 kilowatts and the 4,000 kilowatt usage thresholds includes energy that customers do not use - whether because those customers are on special arrangements that allow us to curtail usage during times of peak demand (called interruptible - non-firm demand customers), or because they conserved energy in response to our calls for conservation. In addition, any self generation by a customer will be included in the total for determining eligibility. **However, if you had self generated energy during the qualification**

**period, you will need to tell us. Please call the Ameren Customer Choice hotline (1-877-426-3736 Ext. 003).**

If your organization is eligible, here are your choices:

- You may continue to purchase energy from AmerenUE under your current tariff; or
- You may elect to have AmerenUE provide only delivery services and then you can:
  1. Buy your energy from a supplier authorized by the Illinois Commerce Commission; or
  2. Buy your energy from AmerenUE at market-based prices under the Market Value Power Purchase Option. This option is designed on average to provide approximate savings to customers of 0.5 cents per kilowatt hour or 8%, whichever is greater.

Note: If you select options 1 or 2 you will pay a delivery services charge for the use of AmerenUE's transmission and distribution system, and you may pay a transition charge.

3. Buy power from suppliers either alone or as a member of an aggregated group.

#### **Who May Opt In (through the lottery):**

For those non-residential customers who do not automatically qualify based on energy usage for entry into the world of supplier choice, there are two lotteries that will allow you to choose suppliers beginning Oct. 1, 1999:

1. One lottery is called the "*General Common Ownership*" lottery. It is for organizations with more than one establishment under common ownership in the AmerenUE service area. If you have two or more sites and want to be part of this lottery, you must tell us that you want to be in the General Common Ownership Lottery. Commonly owned businesses with more than one site can choose to enter either the General Common Ownership Lottery or the General Lottery (see description below). **To participate, you need to call the Ameren Customer Choice Hotline - 1-877 426-3736 Ext. 003 - by April 21, 1999, to request an application or download one from our website <http://www.ameren.com>. You will be asked to identify your common ownership establishments and their applicable SIC codes.**
2. The second lottery is a *General Lottery* for nonresidential customers with only one facility in the AmerenUE service area. If you wish to participate in this lottery, you must let your utility know by checking the appropriate box on the enclosed postage paid postcard. You'll need to return that card by June 15, 1999.

*Checking "yes" on the enclosed form indicating your interest in participating poses no risk to you, and does not obligate you, but it does keep your options open.*

The utility will keep drawing the names of businesses in the lottery until certain thresholds are reached. Those thresholds are based on including 33 percent of the combined electrical usage of each utility's nonresidential customers in each rate class, in addition to several other criteria. The Illinois Commerce Commission established the criteria.

#### **How the Lottery Works:**

Must a customer sign up for the lottery? Yes. Those who want to be part of either the *General Common Ownership* or the *General* lotteries need to register with AmerenUE. (Note: Those with average monthly maximum electrical demand of at least 4,000 kilowatts or with 10 or more sites in a single utility area and 9,500 kilowatts of demand for 6 of 12 months ending June 30, 1999, are automatically eligible for choice.

- Each one-facility, non-residential customer must let us know by checking the appropriate box on the enclosed postage-paid postcard and returning that card by June 15, 1999.

- Those with more than one location who want to participate in the General Common Ownership Lottery need to call by April 21, 1999, and request an application or download one from our website <http://www.ameren.com>. Through this process, those customers provide necessary information to substantiate common ownership and same line-of-business criteria.

### **Your Rights:**

As part of the lottery for supplier choice, each customer is being asked whether we should release that customer's name, address, and rate classification from the lists of eligible customers available to alternative suppliers and others who request this information. For those customers who do not want this information released, we will keep it confidential. Those customers who do want this information released will need to check the appropriate boxes on the enclosed postage-paid postcard.

If you release your information, it will be accessible to any certified supplier indicating an interest in providing power and energy services to eligible customers. For those customers who do want their information to be released, Ameren will publish, via the Internet, the names of organizations, service addresses, and any other addresses for those accounts.

AmerenUE will not release your phone number, usage or billing information to alternative suppliers unless you expressly authorize the release.

### **Questions?**

#### **Q. What happens if my organization is not chosen in the lottery?**

A. You may automatically qualify for choice if your energy use rises to the threshold level for eligibility. However, if your use does not meet the threshold and you don't get chosen by lottery, you must wait for supplier choice - but you'll be eligible to choose among energy suppliers by Dec. 31, 2000.

#### **Q. How will disputes between the company and its customers be resolved?**

A. We will attempt to resolve all disputes amicably through negotiation. If we cannot resolve them, the customer may file a complaint with the Illinois Commerce Commission.

#### **Q. What if I have questions about the release of my information?**

A. You may call us at 1-877-426-3736, Ext. 003.

#### **Q. Who will conduct the lottery for the Ameren operating companies? How can I know that it is done according to the rules?**

A. Ameren will conduct the lottery and has contracted to have its lottery and eligibility selection process reviewed by an independent certified public accounting firm. That firm will issue a report that will be furnished to the Illinois Commerce Commission. An officer of Ameren will provide a sworn statement that the eligibility selection process was conducted in accordance with ICC-approved guidelines.

For additional information, please call Ameren's Customer Choice Hotline at 1-877-426-3736 Ext. 003, or contact the Illinois Commerce Commission at 527 East Capitol Ave., Springfield, Illinois, 62794-9280, or visit the ICC website at <http://www.ice.state.il.us>. Information is also available from alternative retail energy suppliers. You can also visit Ameren's website address at <http://www.ameren.com>. You can also call our hotline if you want to visit an Ameren facility. If you call or visit us, you will be given the opportunity to discuss the release of your customer information.

Customer Category	Eligibility Position	Action Required By You
Any non-residential retail customer, including government entities, with average monthly electrical demand at a single location of at least 4,000	Eligible for choice of suppliers Oct. 1, 1999.	NONE unless you have self-generation, then you must tell us. We will notify you and ask you to return a postage-paid release card indicating your interest in

kilowatts		having your name released to alternative suppliers.
Any commercial common ownership customer with 10 or more sites in a single utility's service area with aggregate average monthly demand of at least 9,500 kilowatts.	Eligible for choice once the utility verifies common ownership, same line of business, average demand.	Call the Ameren Customer Choice Hotline 1-877-426-3736 Ext. 003 by April 21, 1999, for an applicaiton or download one from our website <a href="http://www.ameren.com">http://www.ameren.com</a> . You must return that application by June 15, 1999.
Any non-residential customer who has more than one location and wants to be part of the General Common Ownership Lottery.	The utility will keep drawing names of organizations in this lottery until certain thresholds are reached. Subject to certain limitations, each customer in this General Common Ownership Lottery will become eligible for choice for at least 33% or their usage.	Call the Ameren Customer Choice Hotline 1-877-426-3736 Ext. 003 by April 21, 1999, for an applicaiton or download one from our website <a href="http://www.ameren.com">http://www.ameren.com</a> . You must return that application by June 15, 1999.
Any non-residential customer with only one location who wants to be part of the General Lottery for choice	The utility will keep drawing the names of the organizations in this lottery until certain thresholds are reached.	If you are interested in participating in the General Lottery, you need to check the appropriate box on the enclosed postage-paid postcard and return that card by June 15, 1999.